

## *Medical Provider Networks: Current Issues*

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## *MPN Overview*

As of January 19, 2007:

- 1255 MPN applications have been received since November 1, 2004
- 1141 MPNs approved\*
- 15 MPNs revoked
- 59 MPNs withdrawn
- 146 MPNs have filed material modifications

*\*The majority of MPNs have not updated to the Permanent Regulations*

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## *Breakdown of MPN Applicants (as of January 2007)*

- *Which Applicants have the most MPNs?*
  - Ace American Insurance Co.
  - American Home Assurance Co.
  - Zurich American Insurance Co.
- *Which Are the Most Used Networks?*
  - Blue Cross, Concentra, Corvel, First Health, Medex
  - More than 700 MPNs use HCO networks

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## *Did you know?*

- That a regional area listing must include all MPN specialists and PTPs within a minimum 15-mile radius?
- That current employees permanently living and working outside CA are not required to use MPN doctors?
- That a change in MPN Contact information could trigger a material modification to the MPN?
- That modification to a MPN's HCO network could trigger a material modification to the MPN?
- That a change of TPAs, insurers, or provider network could trigger a material modification to a MPN or results in a change of MPNs?

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## *Operational Issues*

- *Rural Access Standards*
  - Specific justification for modification, case-by-case basis
- *Provider Access Problems*
  - Regional List inadequate, not provided, not accessible or outdated
  - Provider not taking WC patients
- *Potential Consequences*
  - Complaints to DWC
  - Suspension or Revocation of MPN
  - Litigation: Expedited Hearings before WCAB
  - Employee may seek treatment outside the MPN
    - *Bruce Knight v. United Parcel Service*, 71 Cal. Comp. Cas 1423; 2006 Cal. Wrk. Comp. LEXIS 323 (Oct. 10, 2006)

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## *What if I have changes to my MPN?* *Material Modification Process*

- Submit the Notice of MPN Plan Modification Form (8 CCR 9767.8) when you have a
  - *Change in the DWC Liaison*
  - *10% change in MPN network providers*
  - *25% change in the number of MPN-covered employees*
  - *Change in applicant status, e.g., self-insured to insured*
  - *Other material changes to a MPN*
- The filing of a Notice of Material Modification may trigger an update to the permanent regulations of all the MPN policies and materials

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### *What should I do if I want to change to a different MPN?*

- Contact DWC as early as possible for assistance in avoiding gaps in MPN coverage during the change of MPNs
- File a Notice of MPN Plan Modification with DWC regarding change of MPNs
  - Attach a sample notice to employees
  - NOTE: "New" MPN must file material modification if number of covered employees change at least 25%
- Distribute 30-day notice to employees of a change of MPNs with new MPN employee materials per 8 CCR 9767.12(c)
- If also ending use of old MPN, contact DWC for further assistance

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### *What if I want to end or stop using a MPN?*

- Contact DWC as early as possible to ensure a smooth transition
- File a Notice of MPN Plan Modification with DWC before you stop using the MPN
  - Check "Other" and state that the MPN will be terminated or no longer used by applicant and whether a new MPN will be used
- Notify employees of end of MPN coverage (and give 30-day notice of change of MPN if applicable)
  - State date MPN coverage ceases
  - Include date 30-day employer medical control begins, if applicable
  - Include Continuity of Care or Transfer of Care information
- Proposed regulation, 8 CCR 9767.16, in rulemaking process

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### *What if I still have MPN questions?*

- Medical Provider Network Website:  
[www.dir.ca.gov/dwc/MPN/DWC\\_MPN\\_Main.html](http://www.dir.ca.gov/dwc/MPN/DWC_MPN_Main.html)
- Email: [DWCManagedCare@dir.ca.gov](mailto:DWCManagedCare@dir.ca.gov)  
[Yu-YeeWu@dir.ca.gov](mailto:Yu-YeeWu@dir.ca.gov)
- Phone: 510-286-7100, ask for MPN assistance

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